

## Message Text

LIMITED OFFICIAL USE

PAGE 01 OECD P 06569 01 OF 02 141154Z

46

ACTION EUR-12

INFO OCT-01 ISO-00 SSO-00 NSCE-00 USIE-00 INRE-00 OIC-02

FEA-01 ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01 COME-00

DODE-00 EB-07 FPC-01 H-02 INR-07 INT-05 L-02 NSAE-00

NSC-05 OMB-01 PM-03 SAM-01 OES-03 SP-02 SS-15 STR-01

TRSE-00 FRB-03 PRS-01 PA-01 CEQ-01 EPA-01 ERDE-00

IO-10 AGR-05 SIL-01 LAB-04 TAR-01 EURE-00 /111 W

----- 049667

O 141143Z MAR 75

FM USMISSION OECD PARIS

TO SECSTATE WASH DC IMMEDIATE 5961

LIMITED OFFICIAL USE SECTION 01 OF 02 OECD PARIS 06569

E.O. 11652: N/A

TAGS: ENRG, OECD

SUBJECT: IEA: PRELIMINARY POSITION PAPERS FOR  
PREPARATORY MEETING BETWEEN PRODUCERS AND CONSUMERS

TRANSMITTED BELOW IS FIRST DRAFT FOR A PRELIMINARY  
POSITION PAPER(S) CONCERNING ITEM(S) V(D)(I) AND VII  
OF THE TABLE CONTAINED IN DOCUMENT IEA/SPC(75)7  
(2ND REVISION). THIS DRAFT IS IN THE FORM AS  
RECEIVED BY THE AGENCY SECRETARIAT.

BEGIN TEXT:

REF. IEA/SPC(75)7: DRAFT POSITION PAPER ON ITEM  
V(D)(I): "COOPERATION BETWEEN PRODUCERS AND CONSUMERS  
IN ENERGY DEVELOPMENT AND USE, INCLUDING  
CONSERVATION TECHNIQUES AND GREATER EFFICIENCY OF  
ENERGY USE"

1. THERE IS CONSENSUS THAT THE IEA COUNTRIES HAVE  
A COMMON INTEREST IN ACHIEVING ENERGY SAVINGS AS AN  
ELEMENT IN THE EFFORTS TO DIMINISH THE DEPENDENCE ON OIL  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 06569 01 OF 02 141154Z

IMPORTS. THIS IS IN LINE WITH SEVERAL STATEMENTS BY

REPRESENTATIVES OF THE PRODUCER COUNTRIES TO THE EFFECT THAT CRUDE OIL, BEING AN EXHAUSTIBLE RESOURCE AND HAVING A VERY WIDE RANGE OF UTILIZATION, SHOULD BE USED EFFECTIVELY; IT SHOULD BE CONSERVED AS A RESOURCE FOR THE FUTURE AND NOT BE USED UP DURING A FEW DECADES.

THE NEED FOR EFFECTIVE CONSERVATION MEASURES IS PARTICULARLY UNDERLINED BY COUNTRIES WHO HAVE MORE LIMITED ALTERNATIVE ENERGY SOURCES.

2. IT IS, HOWEVER, AT THIS STAGE DIFFICULT TO DEFINE IN DETAIL THE INTEREST THE PRODUCING COUNTRIES MAY HAVE IN USING THEMSELVES ENERGY-SAVING TECHNIQUES OR WORK ACTIVELY TOWARDS EFFICIENT USE OF ENERGY. ON THE ONE HAND THEY CAN, GENERALLY SPEAKING, COUNT ON HAVING A SUFFICIENT SUPPLY OF OIL FOR THEIR DOMESTIC NEEDS. ON THE OTHER HAND THEY HAVE AN INTEREST IN NOT EXPLOITING THE OIL RESOURCES TOO FAST IN ORDER TO PROVIDE FOR EXPORT EARNINGS IN A LONGER PERSPECTIVE.

3. ASSUMING A COMMON BASIC INTEREST IN COOPERATION BETWEEN PRODUCING AND CONSUMING COUNTRIES IN THIS FIELD, THE PROSPECTS FOR IDENTIFYING AND PROPOSING ACTUAL PROJECTS APPEAR TO BE VERY LIMITED. DIFFERENCES IN E.G. CLIMATIC CONDITIONS AND INDUSTRIAL STRUCTURES CAUSE DIVERGENCES IN THE USE OF ENERGY TO AN EXTENT THAT IT DOES NOT SEEM POSSIBLE TO PRESENT TODAY CONCRETE PROPOSALS FOR COOPERATION PROJECTS WHERE BOTH SIDES WOULD HAVE AN INTEREST IN PARTICIPATING ACTIVELY.

4. AGAINST THIS BACKGROUND

I) THE SLT - PARTICULARLY ITS WPS FOR CONSERVATION MEASURES AND FOR R&D ACTIVITIES - SHOULD BE PREPARED TO INCORPORATE INTO ITS WORK PROPOSALS AND CONSIDERATIONS REGARDING COOPERATION ALSO WITH PRODUCING COUNTRIES,

II) THE PRODUCING COUNTRIES SHOULD BE INVITED TO SCREEN THE FINDINGS, SUGGESTIONS AND PROJECT PROPOSALS PRESENTED WITHIN THE SLT AND TO SUGGEST A MECHANISM FOR PARTICIPATION IN PARTICULAR PROJECTS AS WELL AS IN THE IDENTIFICATION OF NEW ONES.

ITEM VII (DEFENSIVE) "PROPOSALS TO INCLUDE TERMS OF TRADE IN OTHER PRIMARY COMMODITIES IN THE DIALOGUE" LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 06569 01 OF 02 141154Z

(UNITED KINGDOM DRAFT)

LINE TO TAKE.

1. OIL IS A UNIQUE COMMODITY AND HAS PHYSICAL AND OTHER CHARACTERISTICS NOT READILY FOUND IN OTHER COMMODITIES (E.G. IT IS NOT READILY SUBSTITUTED OR RECYCLED, IT IS A FINITE RESOURCE AND ITS PRODUCTION IS UNDER CLOSE CONTROL).

2. PRIMARY COMMODITIES IN INTERNATIONAL TRADE ARE

NOT UNIFORM IN CHARACTER AND CAN ONLY BE CONSIDERED DN A COMMODITY-BY-COMMODITY BASIS. THE PROBLEMS AFFECTING THE VARIOUS BROAD CATEGORIES OF COMMODITY (RENEWABLE OR NON-RENEWABLE; INDUSTRIAL OR COMESTIBLE; PERISHABLE OR STOCKABLE; OPEN TO OR FREE FROM SUBSTITUTE, ETC., ETC.) ARE DIFFERENT AND THEIR DIFFERING SOLUTIONS REQUIRE SEPARATE STUDY. A CONFERENCE DEDICATED TO ONE MAJOR COMMODITY (OIL) COULD NOT BE EXPECTED TO FIND SOLUTIONS FOR OTHER COMMODITIES.

3. EMPHASIS ON THE TERMS OF TRADE OF PRIMARY

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 OECD P 06569 02 OF 02 141149Z

46

ACTION EUR-12

INFO OCT-01 ISO-00 SSO-00 NSCE-00 USIE-00 INRE-00 OIC-02

FEA-01 ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01 COME-00

DODE-00 EB-07 FPC-01 H-02 INR-07 INT-05 L-02 NSAE-00

NSC-05 OMB-01 PM-03 SAM-01 OES-03 SP-02 SS-15 STR-01

TRSE-00 FRB-03 PRS-01 PA-01 CEQ-01 EPA-01 ERDE-00

IO-10 AGR-05 SIL-01 LAB-04 TAR-01 EURE-00 /111 W

----- 049670

O 141143Z MAR 75

FM USMISSION OECD PARIS

TO SECSTATE WASH DC IMMEDIATE 5962

LIMITED OFFICIAL USE SECTION 02 OF 02 OECD PARIS 06569

COMMODITIES IS MISLEADING; A PREFERABLE COURSE IS TO SEEK TO IMPROVE THE TERMS OF TRADE OF PRIMARY PRODUCING COUNTRIES BY HORIZONTAL AND VERTICAL DIVERSIFICATION AND BY INCREASING INDUSTRIALIZATION.

4. THE IMPLICIT IDENTIFICATION OF PRIMARY PRODUCERS

WITH POOR DEVELOPING COUNTRIES IS INACCURATE. THERE ARE  
POOR DEVELOPING COUNTRY PRODUCERS WHICH ARE SIGNIFICANT  
IMPORTERS OF PRIMARY COMMODITIES AND THERE ARE RICH  
DEVELOPED COUNTRIES WHICH ARE SIGNIFICANT EXPORTERS.

5. THERE ARE AMPLE OPPORTUNITIES IN OTHER FORA TO  
DISCUSS INTERNATIONAL TRADE IN COMMODITIES. THE  
UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT  
COMMITTEE ON COMMODITIES HAS AN ONGOING PROGRAM OF  
STUDIES ON THE FEASIBILITY OF AN INTEGRATED PROGRAM FOR  
COMMODITIES: THERE IS TO BE A SEVENTH SPECIAL SESSION  
OF THE GENERAL ASSEMBLY ON DEVELOPMENT AND INTERNATIONAL  
ECONOMIC COOPERATION; THE PROBLEM OF RAW MATERIALS WILL  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 06569 02 OF 02 141149Z

ALSO COME UP AT THE SECOND GENERAL CONFERENCE OF THE  
UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION; THE  
NEXT SESSION OF UNCTAD IN NAIROBI (1976) WILL ALSO  
PROVIDE AN OPPORTUNITY TO CONSIDER PROBLEMS OF  
COMMODITY TRADE. END TEXT  
TURNER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CONSERVATION, ENERGY, PETROLEUM, EXPORTERS, IMPORTERS, MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975OECDP06569  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750089-1069  
**From:** OECD PARIS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750350/aaaabsnb.tel  
**Line Count:** 193  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 IEA/SPC(7:  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 14 MAY 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <14 MAY 2003 by ElyME>; APPROVED <15 MAY 2003 by MorefiRH>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** IEA: PRELIMINARY POSITION PAPERS FOR PREPARATORY MEETING BETWEEN PRODUCERS AND CONSUMERS  
**TAGS:** ENRG, IEA  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006